



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

**1900 Kanawha Boulevard East • Building Five • Room 110
Charleston, West Virginia 25305-0430 • (304) 558-3505**

**Earl Ray Tomblin
Governor**

**Paul A. Mattox, Jr., P. E.
Secretary of Transportation/
Commissioner of Highways**

June 22, 2012

Dear Contractor:

This packet consists of the Contractor's Prequalification statement and instructions. Please read the instructions carefully.

Fill out Contractor's Prequalification Statement and mail back to the Department of Transportation.

Please complete Pages 1-34 in the Contractor's Prequalification Statement even though you may have attachments. These pages must be completed for our records, or the entire Prequalification application will be returned to your company for correction(s).

Contractors desiring prequalification as Category "W" Vendor (entitled to bid on contracts no greater than \$200,000 in value), complete page one, and indicate date of fiscal year end on page 8, and execute the proper affidavit for their particular corporate status (see page 28 through 34 of the application, attached to this document). Please submit all 34 pages, to be pre-qualified or your packet will be returned.

If you have any questions, please contact Pam Jarrell at (304) 558-9237.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Stephen Todd Rumbaugh".

**Stephen Todd Rumbaugh, P.E., Director
Contract Administration Division**

STR:MZ

Attachment

**West Virginia Department of Transportation
Division of Highways
Contract Administration Division**



INSTRUCTIONS FOR PREPARING APPLICATIONS

Please observe to avoid delay in prequalification.

Regulations pertaining to prequalification are printed on page 2 through 6. These should be carefully studied before preparing the application.

All Contractors' Prequalification Statements, unless seeking prequalification for Category "W" projects only, must be certified by a Certified Accountant or a Licensed Public Accountant. The latter must be licensed in West Virginia. Qualified opinions will be accepted at the discretion of the West Virginia Department of Transportation, Division of Highways.

The date for which your statement reflects condition of business is to be shown at the top of page 8. This date should correspond with the date shown on the front cover for "Statement as of". Also give the date of your fiscal year end; otherwise statements may be returned.

The Contractor's Prequalification Statement will be accepted by the West Virginia Department of Transportation, Division of Highways, not less than **fifteen days prior to the date of bid opening** on any project on which the applicant may desire to bid.

Initial prequalification can be established in any month of the year. However, Financial Statements must be as of a date not more than twelve months prior to the date of submission. A Financial Statement dated prior to the end of the fiscal period will remain effective for only one hundred twenty days after the close of the fiscal period. No certificate will be valid for more than sixteen months after the date of the statement on which it is based. Annual renewal is dependent on the date of the contractor's fiscal period. After the initial application, subsequent submissions are due within one hundred twenty days after the contractor's fiscal year end. The certificate period will not be extended under any circumstance. For example: with a Contractor's Prequalification Statement based on the fiscal period ending March 31, 2007, prequalification will remain in effect through July 31, 2008.

Particular attention is directed to the regulation on page 6 of the Contractor's Prequalification Statement requiring contractors incorporated under the laws of any state other than West Virginia to file a Certificate with the Secretary of State of West Virginia to obtain authority to do business in West Virginia before being awarded any contract. Attention is also directed to the necessity for execution of the proper Affidavit on page 33 or 34.

Please indicate the specific classifications desired on page 34 (see page 5 for various categories). This should be the type of work to which your organization is particularly adapted by personnel, experience and equipment to perform.

The prequalification formula and the categories in which a Certificate of Qualification will be issued are indicated in the Prequalification Statement. An example of the prequalification formula is indicated below for your information.

Assuming a contractor has \$100,000.00 in net current assets, net cash surrender value of life insurance of \$25,000.00, a line of credit statement for \$50,000.00 and \$50,000.00 of unencumbered worth (book value) in highway type equipment with a service record which merits a factor of 8. His rating would be computed as follows:

$$\begin{aligned} R &= P (A+I+L+E) \\ R &= (\$100,000.00 + \$25,000.00 + \$50,000.00 + \$50,000.00) \\ R &= \$1,800,000.00 \text{ (Amount of Certificate of Qualification)} \end{aligned}$$

In all cases the actual computed amount of prequalification, rounded to the nearest thousand dollars, will be shown on the Certificate of Qualification.

You are reminded that this formula is not utilized when seeking prequalification for Category W Projects.

After the initial rating, attention is called to the great importance of the performance factor, "P". This factor will be reviewed periodically. For good performance on contracts a contractor's performance factor may be increased. Likewise, if there is evidence that the contractor has not performed properly, such as failure to meet specifications in accordance with instructions from Division of Highways project supervisory personnel, failure to complete projects within the authorized working time due to reason within the control of the contractor and failure to provide adequate supervision, equipment and other factors, the contractor's performance factor may be decreased.

Contractors may be required at any time to submit a statement of all uncompleted work under contract.

Full compliance with regulations on pages 2 through 6 of this questionnaire will avoid delay in affecting prequalification. One copy of the Contractor's Prequalification Statement is to be filed as an application for qualification to the State of West Virginia Department of Transportation, Division of Highways, Contract Administration, Building 5 Capitol Complex, Room 748, 1900 Kanawha Blvd East, Charleston, WV 25305, to the person listed on the "Prequalified Contractors" web page. The other copy is to be retained for your own files and future reference.

**West Virginia Department of Transportation
Division of Highways
Contract Administration Division**

**TITLE 157
LEGISLATIVE RULE
DEPARTMENT OF TRANSPORTATION
DIVISION OF HIGHWAYS**

**SERIES 3
CONSTRUCTION AND RECONSTRUCTION OF STATE ROADS
(Applicable excerpts relative to Prequalification)**

'157-3-1. General.

- 1.1. Scope. -- This rule relates to the construction and reconstruction of state roads.
- 1.2. Authority. W. Va. Code "17-2A-8(1) and (2) and 17-4-19.
- 1.3. Filing Date. -- April 13, 2000.
- 1.4. Effective Date. -- April 17, 2000.

'157-3-2. Definitions.

2.3. Admission means a statement made by a contractor in a court, or an official statement before any public body or official, that the contractor committed a certain act or omitted to perform a certain act.

2.4. Advertisements means the public announcement, as required by law, inviting bids for work to be performed, or material to be furnished.

2.8. Award means the acceptance by the division of a bid.

2.10. Bidder means an individual, firm, corporation, or combination thereof, acting directly or through a duly authorized representative, and prequalified according to the requirements and provisions of the division, submitting a bid for the proposed work.

2.11. Bidding crime means any act prohibited by state or federal law committed in any jurisdiction involving fraud, conspiracy, collusion, lying, or material misrepresentation with respect to bidding on any contract public or private.

2.13. Calendar day means every day shown on the calendar.

2.20. Contract means the written agreement between the division and the contractor covering the performance of the work, the furnishing of labor, equipment and materials, and the basis of payment. The contract includes the invitation for bids, proposal, contract form, contract bond, specifications, supplemental specifications, special provisions, plans, notice to proceed, any change orders that are required to complete the construction of the work in an acceptable manner, including authorized extensions thereof, all of which constitute one instrument.

2.21. Contract bond means the approved form of security, executed by the contractor and their surety, guaranteeing completion of the work and payment of all legal debts pertaining to the construction of the project.

2.22. Contract period means the period from the specified date of commencement of work to the specified date of completion of the work, both dates inclusive, as is specified in the contract.

2.23. Contract time means the number of working or calendar days specified in the proposal, indicating the time allowed for the completion of the work contemplated, including authorized time extensions. In case a calendar date of completion is specified in the proposal, the work shall be complete by that date or any approved extensions thereof.

2.24. Contractor means the individual, firm or corporation, party of the second part to the contract, acting directly or through their agents, employees, or subcontractors.

2.27. Conviction means a judgment or conviction of criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

2.30. Debarment means an exclusion or bar from contracting with or bidding on contracts let by the division.

2.31. Department means West Virginia Department of Transportation.

2.32. Disqualification means the debarment of a contractor by the revocation of the contractor's Certificate of Qualification that is necessary for contracting with or bidding on contracts let by the division for a specified period of time.

2.34. Division means West Virginia Division of Highways, a corporation.

2.35. Division Administrator means the Division of Highways Administrator, West Virginia Department of Transportation or an authorized representative or employee.

2.48. Hearing Examiner means a person designated by the commissioner to conduct a hearing as set forth in subsection 13.5 of this rule.

2.53. Instructions to bidders means the notice to contractors containing all necessary information as to provisions, requirements, date, location, and time of submitting Proposals.

2.54. Interpretations. In order to avoid cumbersome and confusing repetition of expressions in the Specifications, it is provided that whenever anything is, or is to be done, if, as, or, when, or where "contemplated, required, determined, directed, specified, authorized, ordered, given, designated, indicated, considered necessary, deemed necessary, permitted, reserved, suspended, established, approval, approved, disapproved, acceptable, unacceptable, suitable, accepted, satisfactory, unsatisfactory, sufficient, insufficient, rejected, or condemned," it shall be understood as if the expression were followed by the words "by the engineer" or "to the engineer".

2.55. Invitation for bids means the advertisement for bids, as required by law, inviting bids for work to be performed or material to be furnished.

2.56. Item means a specifically described unit of work for which a price is provided in the contract.

2.64. Notice to proceed means a written notice to the contractor to proceed with the contract work including, when applicable, the date of beginning of contract time.

2.68. Plans means the approved plans, profiles, typical sections, cross sections, working drawings, standard drawings and supplemental drawings, or exact reproductions thereof, which show the location, character, dimensions and details of the work to be done.

2.69. Pre-construction conference means a conference normally called by the district engineer, following award and prior to start of construction, to be attended by division officials and by the responsible officials of the contractor and other affected parties.

2.70. Pre-qualification statement means the approved form or forms upon which Contractors shall furnish information as to their ability to perform work, their experience, manpower, equipment and financial condition.

2.71. Prequalified contractor means any individual person, partnership, corporation or other legal entity, including its directors and officers, holding a valid Certificate of Qualification, which submits bids for, is awarded, or reasonably may expect to submit bids for or be awarded a contract for labor, services or material or any combination of these by the division.

2.75. Proposal means the offer of a bidder, on the prescribed form, to perform the work and to furnish the labor and material at the prices quoted.

2.76. Proposal form means the approved form on which the division requires a bid to be prepared and submitted for the work.

2.77. Proposal guaranty means the security furnished with a bid to guarantee that the bidder will enter into the contract if his or her bid is accepted.

2.91. Special provisions means additions and revisions to the standard and supplemental specifications covering conditions peculiar to an individual project.

2.92. Specifications is a general term applied to all directions, provisions, and requirements pertaining to performance of the work.

2.104. Surety means the corporation, partnership, or individual, other than the contractor, executing a bond furnished by the contractor.

2.105. Suspension means an exclusion or bar from contracting with or bidding on contracts let by the division for a temporary period of time, pending the completion of an investigation or legal or disqualification proceedings.

'157-3-13. Disqualification and Suspension of Prequalified Contractors.

13.1. General Purposes. This section provides procedures regarding the Division of Highways' disqualification and suspension of prequalified contractors in instances where there is cause to believe that a prequalified contractor is not complying with laws or regulations that pertain to the competition for or the performance of contract work awarded by the Division of Highways.

13.2. Disqualification. The Commissioner may, in his or her sole discretion, disqualify a prequalified contractor or its affiliates from bidding on division contracts for any of the following causes:

13.2.a. Conviction, judgment or admission of a bidding crime. This paragraph includes any admission in the presentation of testimony of an unindicted co-conspirator or any admission in testimony protected by a grant of immunity to the contractor in any jurisdiction.

13.2.b. Conviction, judgment or admission of any other crime for an illegal act(s) that pertains to competition for or performance of contract work for the division.

13.2.c. Debarment by the Federal Highway Administration.

13.2.d. Deliberate and repeated violation of regulations promulgated by the Commissioner in accordance with the West Virginia Code.

13.2.e. Any other cause affecting the performance of contract work for the division that is of a serious and compelling nature.

13.3. Suspension.

13.3.a. The Commissioner may, in his or her sole discretion, suspend the Certificate of Qualification of a prequalified contractor where there is reasonable belief that any of the reasons set forth in subsection 13.3 of this rule for disqualification is present. If the Commissioner determines a suspension is proper he or she shall furnish written notice by registered mail to the contractor and any named affiliates stating:

13.3.a.1. that a suspension has been imposed;

13.3.a.2. the effective date of the suspension;

13.3.a.3. the cause or causes giving rise to the suspension;

13.3.a.4. that the suspension is for a temporary period pending the completion of an investigation and any ensuing legal or disqualification proceedings;

13.3.a.5. that the prequalified contractor may within ten (10) days of receipt of the notice, request in writing an informal hearing, which will be held at a mutually agreeable date, but no later than sixty (60) days subsequent to the receipt of the prequalified contractor's request for an informal hearing.

13.3.b. A suspension shall be for a temporary period pending the completion of investigation or any ensuing legal or disqualification proceeding unless terminated by the Commissioner. A suspension shall not continue for more than six (6) months from its effective date, unless civil or criminal action regarding the alleged violation has been initiated within that period, or unless disqualification proceedings have been initiated. The suspension may continue until the legal or disqualification proceedings are completed.

13.4. Disqualification Procedures.

13.4.a. After determining that cause exists under subsection 13.3 of this rule to disqualify a prequalified contractor, the Commissioner or his or her duly authorized representative shall furnish written notice of a hearing to the prequalified contractor and any named affiliates. The notice shall state:

13.4.a.1. that disqualification is being considered;

13.4.a.2. the facts giving rise to the proposed disqualification;

13.4.a.3. the cause or causes under subsection 13.3 of this rule relied upon for proposing disqualification;

13.4.a.4. the time, place and date of the hearing;

13.4.a.5. the name and mailing address of the hearing examiner;

13.4.a.6. if a suspension is not in effect before the notice is sent, that contracts may not be awarded to the contractor by the division pending the decision of the hearing examiner.

13.4.b. The hearing will be conducted in accordance with 157 CSR 1-3 of the West Virginia Division of Highways' Rules. The hearing examiner may extend the date of any hearing upon request of the contractor, but the hearing shall not be extended to later than sixty (60) days from the date the notice was sent. A transcribed record of the hearing shall be made unless the Commissioner and the contractor waive that requirement. At the conclusion of the hearing, the hearing examiner shall issue to the Commissioner and the contractor and all named affiliates written findings of fact and the recommended administrative action.

13.4.c. The Commissioner after receiving the record, findings of fact and recommendations of the hearing official shall determine the administrative action to be taken. The Commissioner shall notify the named contractor or contractors of his or her determination in writing. If the determination is to impose disqualification, the determination shall set forth the period of time for which disqualification is imposed.

13.4.d. The determination made by the Commissioner may include all named affiliates of the contractor, provided that each decision to include an affiliate is made only after allowing the affiliate to participate in the hearing with the same procedural rights afforded the contractor.

13.5. Period of Disqualification.

13.5.a. The Commissioner may disqualify a prequalified contractor for a period of three months to three years.

13.5.b. At the sole discretion of the Commissioner the disqualification may be reduced, lifted or suspended at any time, if it is in the public interest to do so. Any mitigating circumstances may be considered in the decision to impose, reduce, lift or suspend disqualification and may include, but shall not be limited to:

13.5.b.1. the degree of culpability of the disqualified contractor;

13.5.b.2. restitution by the disqualified contractor to the Division for any overcharges or other damages;

13.5.b.3. cooperation by the disqualified contractor with any investigation undertaken by appropriate State agencies or other sovereign bodies;

13.5.b.4. elimination of the causes for which the disqualification was imposed.

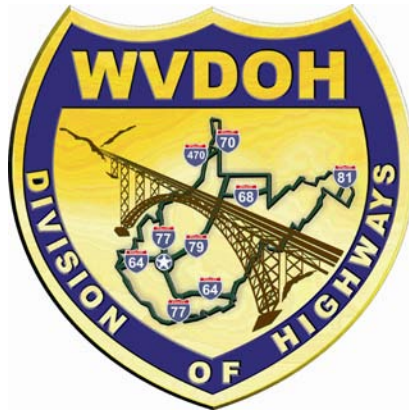
13.6. Effect of Disqualification or Suspension by Other Jurisdictions. The Commissioner shall not be bound by the disqualification or suspension of a contractor by other jurisdictions, but may consider any and all information available from whatever source to determine if a contractor lacks the qualities of moral and/or ethical integrity so long as there is compliance with the procedures set forth in these regulations.

13.7. List of Disqualified or Suspended Contractors. The Commissioner shall maintain a list of all contractors and affiliates who have been disqualified or suspended in accordance with these rules and regulations.

13.8. Notice to Contractors. A copy of these rules and regulations shall be mailed to each prequalified contractor.

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

DIVISION OF HIGHWAYS



CONTRACTOR'S PREQUALIFICATION STATEMENT



**WEST VIRGINIA DEPARTMENT OF TRANSPORTATION
DIVISION OF HIGHWAYS**

CONTRACTOR'S PREQUALIFICATION STATEMENT

Contractor's Name _____

Street (Location Address Required) _____

PO Box _____ City _____ State _____ Zip Code _____

Telephone Number (____) _____ Fax Number (____) _____

Federal Employer Identification Number _____

West Virginia Contractor's License Number _____

West Virginia Registered Vendor YES ☐ NO ☐

★Type of Ownership

Certified DBE? YES ☐ NO ☐

Economically and Socially Disadvantaged Under Section 8 (a) of the Small Business Act

YES ☐ NO ☐

★To fulfill requirements of The Division's Equal Employment Program and Assist in the administration of the Division's Disadvantage Business Enterprise Utilization Program.

Statement as of _____ 20____, Dated Submitted _____ 20____

Return to:

West Virginia Department of Transportation
Division of Highways
Building 5 Capitol Complex, Room 748
1900 Kanawha Blvd East
Charleston, WV 25305

CONTRACTOR'S PREQUALIFICATION STATEMENT

To The West Virginia Division of Highways

By Authority of Chapter 17, Article 4, Section 20 of
The Official Code of West Virginia

"In any case where a contract for work and materials shall be let as a result of competitive bidding, the successful bidder shall promptly and within twenty days after notice of award execute a formal contract to be approved as to its form, terms and conditions by the commissioner, and shall also execute and deliver to the commissioner a good and sufficient surety or collateral bond, payable to the state of West Virginia, to be approved by the commissioner, in such amount as the commissioner may require, but not to exceed the contract price, conditioned that such contractor shall well and truly perform his contract and shall pay in full to the persons entitled thereto for all material, gas, oil, repairs, supplies, tires, equipment, rental charges for equipment and charges for the use of equipment, and labor used by him in and about the performance of such contract, or which reasonably appeared, at the time of delivery or performance, would be substantially consumed in and about the performance of such contract. An action either at law or in equity, may be maintained upon such bond for breach thereof by any person for whose benefit the same was executed or by his assignee. The bidder who has the contract awarded to him and who fails within twenty days after notice of the award to execute the required contract and bond shall forfeit such check or bond, and the check or bond shall be taken and considered as liquidated damages and not as a penalty for failure of such bidder to execute such contract and bond. Upon the execution of such contract and bond by the successful bidder his check or bond shall be returned to him. The checks or bonds of the unsuccessful bidders shall be returned to them promptly after the bids are opened and the contract awarded to the successful bidder. A duplicate copy of such contract and bond shall be furnished by the commissioner of highways in loose-leaf form, to the clerk of the county court of the county in which such contract is to be performed and it shall be the duty of the clerk to bind and preserve the same in his office, and index the same in the name of the commissioner and of the contractor."

All Bidders on projects to be let to contract by the West Virginia Division of Highways shall be prequalified as provided by statutory authority. The Division reserves the right to exclude projects of a special nature from this requirement. When special projects not requiring prequalification are let to contract the "Notice to Contractors" and legal advertisement will so state.

A Certificate of Qualification will be issued by the Director of Contract Administration fixing the amount of uncompleted work a contractor may have under contract at any one time and the type or category of work for which the contractor is qualified.

To obtain a Certificate of Qualification, each Contractor must file a "Contractor's Prequalification Statement" containing the information required based on the category of project for which prequalification is being requested. The Contractor must submit the entire Prequalification statement upon filing.

Contractors wishing to become prequalified to bid on Category W projects must submit the entire Prequalification Statement when filing, but need only complete the following Sections of this Statement:

Contractor's Financial Statement – Page 8

Give date of fiscal year end only. It is not necessary to complete the remainder of this page.

Sections 13 and 13a – Construction Equipment – Pages 17 through 19

The last two columns of Section 13 need not be completed

Experience Questionnaire – Pages 28 through 31

Questions One (1) through Fifteen (15) must be answered.

If a corporation or co-partnership, the appropriate section following the experience questionnaire must be completed.

Page 32

Affidavit – Page 33 or 34

The applicable affidavit at the end of this Prequalification Statement must be properly executed and notarized.

Contractors wishing to bid on any other category of work must file a "Contractor's Prequalification Statement," containing financial statements and experience records with detailed information as to available financial resources, equipment and other assets, together with an account of past experience, a record of work completed, personnel of the organization and all other facts called for in the prequalification statement, and such other pertinent information the Director of Contract Administration may desire for consideration issuing said certificate.

Applications for prequalification will be accepted by the Commissioner until Fifteen (15) calendar days prior to the date set for receiving bids on projects on which the applicant may want to bid.

The West Virginia Division of Highways is primarily interested in determining a contractor's Bidding capacity for the purpose of issuing proposals and awarding contracts. The Division reserves the right, at any time during which a rating is in effect, to demand a new financial statement and if the same is not submitted within the time limited stated in the request the rating held will be considered forfeited and the party concerned will not be permitted to bid on contracts of the West Virginia Division of Highways until such a new statement has been received and acted upon by the Division.

Bidding or proposal forms on which the name of the bidder is to be written in ink before issuance will be issued only to prequalified contractors or their authorized representatives. A proposal issued for informational purposes only will be marked "Not Valid for Bidding Purposes" and will not be accepted as a bid from any person. No proposal will be issued to a contractor for any project on which the Engineer's preliminary estimate of cost exceeds the amount of the contractor's rating, except as noted in the succeeding paragraph. When more than one project is advertised, proposals may be issued on as many projects as the contractor requests, providing the contractor is qualified as above for each individual project, but no contracts will be awarded exceeding the permissible limit of the contractor's rating. Contractors who are found to be low bidders on a number of projects on which the total exceeds the contractor's rating may withdraw, with the approval of the Commissioner, bids on such project or projects as will bring the remaining total to within the limit of the rating. At his discretion, the Commissioner may award contracts for the project or projects on which bids have so been withdrawn to the next lowest qualified bidder.

The Division of Highways may at its discretion issue to a contractor a proposal requiring prequalification in excess of the amount allotted said contractor provided the prospective bidder furnish the Division of Highways with a letter from a reputable "Surety" advising of their willingness to furnish bond to him for the project. Such rating will apply only to a specific project and will not be considered as a basis for raising the amount specified on a Contractor's Certificate of Qualification.

The Commissioner may declare any bidder ineligible at any time during the process of receiving bids where developments arise after the issuance of a Certificate of Qualification which, in the opinion of the Commissioner, adversely affects the bidder's responsibility. The bidder shall be given an opportunity by the Commissioner to present evidence before final action is taken. If after the opening of bids, the Commissioner finds that facts exist which would disqualify the low bidder, the Commissioner may reject such bid despite the fact of prior prequalification.

In Addition To The Above Requirements The Following Rules Will Apply

- I. Initial prequalification can be established in any month of the year. However, financial statements when required must be of a date not more than twelve (12) months prior to the date of submission. No Certificate will be valid for more than sixteen (16) months after the date of the statement upon which it is based. Renewal is dependent of the date of the contractor's fiscal period.

After the initial application, subsequent submissions are due within one hundred twenty (120) days after the contractor's fiscal year end. This certificate period will not be extended under any circumstances.

- II. Financial Statements shall be prepared and certified by an independent Certified Public Accountant, licensed and in good standing in any State or an independent Public Accountant licensed in West Virginia. The accountant shall make independent verification of assets and liabilities in accordance with generally accepted auditing standards and the execution of the Certificate of Audit will constitute certification that an audit in accordance with such standards has actually been performed and reported. Qualified opinions will be accepted at the discretion of the Division of Highways. When an accountant finds it necessary to issue a report in which he disclaims an opinion, the Division of Highways will not consider the financial statements attached thereto as being satisfactory for the purpose of prequalification.

Financial Statements and certification thereof by a Certified Public Accountant or a Public Accountant Licensed in West Virginia will not be required when seeking prequalification to bid Category W projects.

- III. The contents of a contractor's Prequalification Statement will not be made available by the Division of Highways to any person other than its own officials and employees except upon written order by the applicant or by a proper order from a court of competent jurisdiction.
- IV. For the initial Certificate of Qualification the Performance Factor utilized in the Prequalification Formula will be five (5). On subsequent prequalification renewals the Performance Factor may be modified based on actual experience and performance of Division of Highways contracts with a maximum possible Performance Factor of ten (10). If there is evidence that a contractor has not performed adequately, the

Performance Factor may be reduced. The amount of prequalification will be a flat sum as determined by the following formula with the amount of the line of credit from banks utilized in this formula limited to fifty percent (50%) of the net current assets.

$$R = P (A+I+L+E)$$

R = Prequalification Rating

P = Performance factor based on contractor's past performance record in West Virginia from 1-10

A = Net current assets (working capital)

I = Cash surrender value of life Insurance

L = Line of credit statements limited to fifty percent (50%) of net current assets

E = Unencumbered book value of highway and/or bridge equipment in good operating condition.

If seeking prequalification to bid on Category W projects where no financial information is required, the Prequalification Rating Formula is not applicable and a "Certificate of Qualification" will be issued in this category for \$200,000.00. The classifications or types of work that can be bid under Category W may be listed on the Certificate based on equipment and experience of the contractor.

V. Certificates will be issued for the following classifications.

- A General Construction
- B Portland Cement Concrete Paving
- C Bituminous Paving
- D Base Courses, treated and untreated, Soil Cement Stabilization
- E Grading
- F Bridge Construction
- G Drainage Structures and Culverts
- H Tunneling
- I Guardrail and Fence
- J Seeding, Sodding and Mulching
- K Landscaping
- L Traffic Signals, Electrical Installations, and Lighting
- M Signing
- N Buildings
- O Demolition
- P Cleaning and Painting Bridges
- Q Pavement Markings
- R Waterlines and Sewers
- S Pile Driving, Drilling
- T Sawing, Sealing, Curing, Joint Repair
- U Grooving
- V Curb Gutter, Sidewalk, Inlets, Manhole and Concrete Medians
- W Miscellaneous Projects whose estimate of cost is less than \$200,000.00; a type of work which could be any of the classifications "A through V" listed above.

- VI. A contractor who qualifies will be issued a certificate showing the class or classes of work upon which he is eligible to bid and the amount of work to which he shall be limited. The rating granted will be based upon analysis of the financial statement, if required, with additional consideration being given to the experience questionnaire, availability and adequacy of plant and equipment, and such other pertinent information as may have been obtained. On applications for renewal of Certificates, consideration will also be given to the contractor's previous record of performance on contracts done for the Division of Highways.
- VII. Ratings are not cumulative or transferable. The maximum value of all the completed work in all classifications permitted to the contractor, who is rated under more than one classification, shall not exceed the amount in the classification in which he has his highest rating. Credit will not be allowed on supposed completed work of unsatisfactory quality, or where the rate of progress is unsatisfactory.
- VIII. Contractors wishing to apply for a change of classification or rating may make written application therefor, requesting the Division for a hearing. The Commissioner will notify the applicant of a time and place for the hearing, at which time the applicant may present evidence to support his claim. No application for change will be granted within less than ten (10) days, exclusive of Sundays and legal holidays, after receipt of the request.
- IX. Two or more persons, partnerships or corporations may combine to submit a joint bid on any project under these regulations. On joint bids the combine must be prequalified or each firm of the combine must be prequalified.
- X. Contractors incorporated under the laws of any state other than West Virginia will be required to file a certificate with the Secretary of State of West Virginia and obtain authority to do business in West Virginia before being awarded any contract.
- XI. Bid proposals will be received from Prequalified and West Virginia Licensed Contractors only except that on Federal-Aid Projects a Contractors License is not required at time of Bid, but will be required before work can begin. License applications are available from the West Virginia Division of Labor, Room 319, Building 3, Capitol Complex, Charleston, West Virginia 25305. Anyone needing further clarification can contact the DOL at (304) 558-7890. Registration is required with the Department of Administration, Division of Purchasing, in accordance with Chapter 5A, Article 3, Section 12 of the West Virginia Code.

REPORT OF INDEPENDENT AUDITORS

I (we) have audited the accompanying special-purpose statement of financial position of _____ as of _____. This special-purpose statement of financial position is the responsibility of the Company's management. My (our) responsibility is to express an opinion on this special-purpose statement of financial position based on my (our) audit.

I (we) conducted my (our) audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I (we) plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I (we) believe that my (our) audit provides a reasonable basis for my (our) opinion.

The accompanying special-purpose statement of financial position was prepared for the purpose of complying with, and in conformity with, the accounting and financial reporting practices prescribed or permitted by the West Virginia Department of Transportation — Division of Highways. In my (our) opinion, the special-purpose statement of financial position referred to above presents fairly, in all material respects, the financial position of _____ as of _____, on the basis of accounting described above and is not intended to be a presentation in conformity with generally accepted accounting principles.

This report is intended solely for the information and use of the Board of Directors and management of _____ and for filing with the West Virginia Department of Transportation — Division of Highways and is not intended to be and should not be used for any other purpose or by anyone other than these specified parties.

Accounting firm of:

Signed:

Certified Public Accountant No:

Date:

CONTRACTOR'S FINANCIAL STATEMENT

Submitted by _____

An Individual ☐
 A Co-partnership ☐
 A Corporation ☐
 An LLC ☐

Date of Fiscal Year End _____

Condition at close of business _____

ASSETS		CURRENT	NON-CURRENT	TOTAL
1.	CASH			
2.	Notes Receivable			
3.	Accounts Receivable-Completed Contracts			
4.	Sums Earned on Uncompleted Contracts			
5.	Accounts Receivable – Other Sources			
6.	Bid Deposits and Guarantees			
7.	Accrued Interest			
8.	Inventory not included in Item Four (4)			
9.	Marketable Securities			
10.	Prepaid Expenses			
11.	Other Current Assets			
TOTAL CURRENT ASSETS				
12.	Real Estate			
13.	Equipment, Book Value			
14.	Furniture and Fixture, Book Value			
15.	Net Cash Surrender Value of Life Insurance			
16.	Other Assets			
TOTAL NON-CURRENT ASSETS				
TOTAL ASSETS				

CONTRACTOR'S FINANCIAL STATEMENT

(Continued)

LIABILITIES AND NET WORTH		CURRENT	NON-CURRENT	TOTAL
17.	Notes Payable			
18.	Accounts Payable			
19.	Accrued Taxes			
20.	Real Estate Encumbrances			
21.	Other Current Liabilities			
22.	Long Term and Deferred Liabilities			
TOTAL CURRENT LIABILITIES				
TOTAL NON-CURRENT LIABILITIES				
TOTAL LIABILITIES				
NET WORTH				
23.	Individual or Partnership			
24.	Capital Stock Paid – Up			
25.	Surplus			
TOTAL NET WORTH				
TOTAL LIABILITIES AND NET WORTH				
26.	Contingent Liabilities - TOTAL			

NOTES TO FINANCIAL STATEMENT:
(attach additional sheets if more space is needed)

DETAILS RELATIVE TO ASSETS

1. Cash	(a) On Hand (b) Deposited in Banks Named Below (c) Elsewhere	\$ _____ \$ _____ \$ _____
----------------	--	----------------------------------

Name And Location Of Bank	Deposited In Name Of:	Amount
TOTAL		\$ _____

★2. Notes Receivable	(a) Due within one year (b) Due after one year	\$ _____ \$ _____
-----------------------------	---	----------------------

Receivable from: Name and Address	Date of Maturity	How secured?	Amount
TOTAL			\$ _____

Have any of the above been pledged? _____ If so, state the amount, to whom and reason.

DETAILS RELATIVE TO ASSETS

(Continued)

★3. Accounts Receivable from completed contract (Exclude claims not approved)

Name and Address of Owner	Nature of Contract	Amount of Contract	Amount Receivable
TOTAL			\$

Have any of the above been pledged? _____ If so, state the amount, to whom and reason.

★List separately each item amounting to ten percent (10%) or more of the total and combine the remainder.

★4. Sums Earned on Uncompleted Contracts, as shown by Engineer's or Architect's Estimate

- (a) Amount Received After Deducting Retainage \$ _____
- (b) Retainage to Date Due Upon Completion of Contract \$ _____

Designation of contract and Name/Address of Owner	Amount of Contract	Amount Earned	Amount Received	Retainage When Due	Retainage Amount	Amount Due Exclusive of Retainage

DETAILS RELATIVE TO ASSETS

(Continued)

Designation of contract and Name/Address of Owner	Amount of Contract	Amount Earned	Amount Received	Retainage When Due	Retainage Amount	Amount Due Exclusive of Retainage
TOTAL					\$	\$

Have any of the above been pledged? _____ If so, state the amount, to whom and reason.

★List separately each item amounting to ten percent (10%) or more of the total and combine the remainder.

★5. Accounts Receivable from Sources Other Than Construction Contracts

Receivable from: Name and Mailing Address	For What	When Due	Amount
TOTAL			\$

Have any of the above been pledged? _____ If so, state the amount, to whom and reason.

DETAILS RELATIVE TO ASSETS

(Continued)

6. Bid Deposits and Guarantees

Deposited with: Name and Address	For What	When Recoverable	Amount
TOTAL			\$

List separately each item amounting to ten percent (10%) or more of the total combine the remainder.

7. Accrued Interest on Loans, Securities, etc.

On What Accrued	To be Paid	Amount
TOTAL		\$

DETAILS RELATIVE TO ASSETS

(Continued)

8. Inventory Not Included in Item Four (4), Assets:

- | | |
|--|----------|
| (a) For Use on Uncompleted Contracts (Present Value) | \$ _____ |
| (b) Other Materials (Present Value) | \$ _____ |

Description of Material	Quantity	Amount
TOTAL		\$ _____

9 Marketable Securities

- | | |
|--|----------|
| (a) Listed | \$ _____ |
| (b) Unlisted (Exclude Stock in affiliated Companies) | \$ _____ |

Description	Issuing Company	Quantity	Present Market Value	Cost (Book Value)	Amount Pledged or in Escrow
TOTAL			\$ _____	\$ _____	\$ _____

If pledged or in Escrow, state for whom and reason.

DETAILS RELATIVE TO ASSETS

(Continued)

10. Prepaid Expenses:

Description of Material	When Due	Amount
TOTAL		\$

11. Other Current Assets:

Description	Amount
TOTAL	\$

(Continued)

Location			Name of Owner as shown by Assessor's Records	Assessed	Amount of Encumbrances
City	County	State			
TOTAL				\$	\$

16

DETAILS RELATIVE TO ASSETS

(Continued)

13. Construction Equipment at Book Value

Quantity	Description and Capacity of Items	Age of Items	Purchase Price	Depreciation Charge Off	Book Value
			\$	\$	\$

DETAILS RELATIVE TO ASSETS

(Continued)

13. Construction Equipment at Book Value

(Continued)

Quantity	Description and Capacity of Items	Age of Items	Purchase Price	Depreciation Charge Off	Book Value
			\$	\$	\$
TOTAL			\$	\$	\$

Are there any liens against the above? Yes ☐ No ☐ If so, state the Total Amount \$_____ List under Liabilities on Page 21.

DETAILS RELATIVE TO ASSETS

(Continued)

List below or attach schedule showing equipment leased for more than twelve (12) months from date of application to perform types of work which eligibility is requested:
(For informational purposes only)

13. (a) Leased Equipment

Quantity	Description and Capacity of Items	Age of Items	Lease Expiration Date	Lessor

DETAILS RELATIVE TO ASSETS

(Continued)

14. Furniture and Fixtures, Book Value

Description	Amount
	\$
TOTAL	\$

15. Cash Surrender Value of Life Insurance (Less Policy Loans)

Name of Insured	Beneficiary	Amount of Policy	Amount of Loans	Net Cash Surrender Value
TOTAL		\$	\$	\$

16. Other Assets

Description (Describe Fully)	Amount
	\$
TOTAL	\$

RELATIVE TO LIABILITIES

17. Notes Payable:	(a) To Banks Regular	\$ _____
	(b) To Banks and Other for Equipment Obligations	\$ _____
	(c) To Others Exclusive of Equipment Obligations	\$ _____

To Whom: Name and Address	What Security	Amount Due Currently	Total Amount
		\$	\$
TOTAL		\$	\$

18. Accounts Payable:	(a) To Subcontractors	\$ _____
	(b) Trade Accounts and Others	\$ _____

To Whom: Name and Address	For What	Date Payable	Amount
			\$
TOTAL			\$

DETAILS RELATIVE TO LIABILITIES

(Continued)

19. Accrued Taxes

Nature of Tax	For What Period	Payable to	Date Payable	Amount
				\$
TOTAL				\$

20. Real Estate Encumbrances [See Item Twelve (12), Assets]

Name and Address of Lienor	Kind of Instrument	Date Payable	Amount
			\$
			\$
			\$
TOTAL			\$

DETAILS RELATIVE TO LIABILITIES

(Continued)

21. Other Current Liabilities

Description	Amount
TOTAL	\$

22. Long Term and Deferred Liabilities

Description (Describe Fully)	Amount
TOTAL	\$

DETAILS RELATIVE TO NET WORTH

23. Individual or Partnership Capital:

Name and Address	Capital at beginning of Period	Net Increase (Decrease)	Capital at Balance Sheet Date
		\$	\$
TOTAL	\$	\$	\$

24. Capital Stock Paid Up:

(a)	Common	\$	_____
(b)	Preferred	\$	_____

TOTAL	\$	=====
--------------	----	-------

25. Surplus:

Appropriated Surplus	\$
Total Appropriated Surplus	\$
Total Unappropriated Surplus	\$
Paid-In Surplus	\$
TOTAL	\$

DETAILS RELATIVE TO NET WORTH

(Continued)

26. Contingent Liabilities:

- | | | |
|--|----|-------|
| (a) Liability on Notes Receivable, Discounted or Sold | \$ | _____ |
| (b) Liability on Accounts Receivable, Pledged, Assigned or Sold | \$ | _____ |
| (c) Liability as a Bondsman | \$ | _____ |
| (d) Liability as Guarantor on Contracts or on Accounts of Others | \$ | _____ |
| (e) Others (Specify) | \$ | _____ |

TOTAL

List below any particular pertinent facts relative to details of Financial Assets or Liabilities:

LINE OF CREDIT STATEMENT

Line of credit statements may be submitted from your bank(s) for the purpose of establishing your financial qualifications in determining your classification and rating. Such statements must, however, be specific as to amount. Line of credit statements on a secured basis will not be used in establishing the contractor's prequalification rating. Open line credit will be limited to fifty (50) percent of net current assets (working capital).

The next page properly executed may be used as a letter certifying to such a line of credit. If more than one letter is being submitted, the second or subsequent letters must be in this form and should be attached to the next page.

West Virginia Division of Highways
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305

Name of Bank _____

Address _____

Date _____

Gentlemen:

An unsecured line of credit in the maximum amount of \$ _____
has been placed at the disposal of _____
for use when, as, and if needed throughout the one year period beginning
_____, subject to the usual conditions, including the
requirement that the borrower's financial condition and other circumstances remain
satisfactory to the bank at the time of any proposed borrowing. Should there be any
reduction, termination or increase in this line of credit, the Division of Highways shall be
notified thereof immediately.

This line of credit has been given with full knowledge of accommodations extended
by other banks in as follows:

AFFIDAVIT

State of _____

County of _____

_____ being duly sworn, deposes and says that

he/she is _____ of the _____ ,

the bank in which executed the foregoing statement.

(Bank Officer sign here)

Sworn to before me this _____ day of _____ , 20 _____

(Affix Notarial Seal)

Notary Public Sign Here

EXPERIENCE QUESTIONNAIRE

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and of all answers to interrogatories hereinafter made.

1. How many years has your organization been in business as a General Contactor under your present business name?

2. How many years experience in construction work has your organization had (a) As a General Contractor? _____ (b) As a Subcontractor? _____
3. What projects has your organization completed within the last five years? (one year for renewal applications) _____

[illegible]

EXPERIENCE QUESTIONNAIRE

(Continued)

4. Have you ever failed to complete any work awarded to you? _____
If so, where and why? _____

5. Has any officer or partner of your organization ever been an officer or partner of some other organization that failed to complete a construction contract? _____

If so, state the name of the individual, other organizations and reason.

6. Have you ever been insolvent or bankrupt? _____
If so, when? _____

7. Has any officer or partner of your organization ever failed to complete a construction contract handled in his own name? _____

If so, state name of individual, name of owner, and reason.

8. In what other lines of business are you financially interested? _____

EXPERIENCE QUESTIONNAIRE

(Continued)

9. For what corporations or individuals have you performed work, and to whom do you refer? Give detailed address.

10. For what cities have you performed work and to whom do you refer? Give detailed address.

11. For what counties have you performed work and to whom do you refer? Give detailed address.

12. For what State Bureaus or Departments have you performed work and to whom do you refer? Give detailed address.

13. For what U.S. Government Bureaus or Departments have you performed work and to whom do you refer? Give detailed address.

14. With what other State Highway Departments are you prequalified?

EXPERIENCE QUESTIONNAIRE

(Continued)

15. What is the construction experience of the principal individuals of your organization?

[illegible]

If a Corporation, or Limited Liability Company answer this:

Exact Name of Firm: _____

Authorized Capital \$ _____

Paid-in-Capital \$ _____

When Incorporated or Organized? _____ In what State? _____

If a Corporation, list Name and Address of Officers:

President _____

Vice-President _____

Secretary _____

Treasurer _____

If a Limited Liability Company, provide Name(s) and Address(es) of Manager(s) or Member(s):

If a Co-partnership, answer this:

Exact Firm Name: _____

Date of Organization _____

State whether Co-partnership is General or Limited _____

Name and Address of Partners:

AFFIDAVIT FOR INDIVIDUAL

State of _____

County of _____ ss:

_____ being duly sworn, deposes and says that the foregoing information provided in this Prequalification Statement is a true and accurate statement as of the date thereof. He further declares that the answers to the questions contained in the "Experience Questionnaire" and the statements made therein are true and correct.

(Applicant must sign here)

Sworn to before me this _____ day of _____, 2 ____.

_____ My commission expires _____
(Notary Public)

(Notary seal)

AFFIDAVIT FOR CO-PARTNERSHIP

State of _____

County of _____ ss:

_____ being duly sworn, deposes and says that he is a member of the firm of _____; that the foregoing information provide in this Prequalification Statement is a true and accurate statement as of the date thereof. He further declares that the answers to the questions contained in the "Experience Questionnaire" and the statements made therein are true and correct.

Sworn to before me this _____ day of _____, 2 ____.

_____ My commission expires _____
(Notary Public)

(Notary seal)

(all members of the firm must sign here)

AFFIDAVIT FOR CORPORATION OR LIMITED LIABILITY COMPANY

State of _____

County of _____ ss:

_____ being duly sworn, deposes and says that he is

_____ of _____ the
Corporation or Limited Liability Company described in the foregoing statement; that the foregoing
information provided in the Prequalification Statement is a true and accurate statement as of the
date thereof. He further declares that the answers to the questions contained in the "Experience
Questionnaire" and the statements made therein are true and correct.

(Officer must sign here)

(Title)

Sworn to before me this _____ day of _____, 2____.

_____ My commission expires _____
(Notary Public)

(Notary seal)

Indicate in the space work classification desired.
Note: The various classifications are listed on page 5.